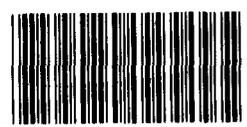


145989



United States  
General Accounting Office  
Washington, D.C. 20548



145989

National Security and  
International Affairs Division  
B-247693

February 19, 1992

The Honorable Albert Gore, Jr.  
Chairman, Subcommittee on Science,  
Technology and Space  
Committee on Commerce, Science and Transportation  
United States Senate

The Honorable Richard J. Durbin  
Chairman, Task Force on Defense,  
Foreign Policy, and Space  
Committee on the Budget  
House of Representatives

To assist in your preparation for an accelerated budget resolution schedule, we are providing information from our ongoing review of the National Aeronautics and Space Administration's (NASA) 5-year program plans.

NASA is overcommitted relative to likely resources--in short, it is chasing too much program with too few dollars. We estimate that if the current federal budget allocation for domestic discretionary spending continues to be constrained, NASA program plans will have to be reduced \$13 billion to \$21 billion through fiscal year 1997.

As you know, caps mandated by the 1990 budget summit agreement allow domestic discretionary spending to grow by only the rate of inflation for the next several years. Further, congressional appropriators are restricted to their 602(b) allocation of domestic discretionary funding for the Departments of Veterans Affairs, Housing and Urban Development, and Independent Agencies. This restriction may not allow inflation-sized increases for NASA. NASA's funding will depend on the actual size of the allocation and the needs of other agencies. For example, Congress was able to provide only a 3-percent increase to NASA for fiscal year 1992. Projecting from the fiscal year 1992-enacted NASA budget of \$14.3 billion, the Congressional Budget Office (CBO) estimates that full inflation increases would provide a 1993-97 funding baseline totaling \$79.5 billion. Flat budgets would provide \$71.5 billion.

GAO/NSIAD-92-155R NASA 5-Year Planning

OS4006 / 145989

B-247693

For fiscal year 1992, the administration proposed a 13-percent increase for NASA over its 1991 funding level (from \$13.9 billion to \$15.7 billion) and a total 1992-96 program of \$91.5 billion. Congress, in turn, approved only a 3-percent increase for fiscal year 1992 over 1991 (from \$13.9 billion to \$14.3 billion) and directed NASA to plan for a 3- to 5-percent growth rate (including inflation) in the near future. The President's fiscal year 1993 NASA budget submission complied with this guidance, proposing about a 5-percent increase (from 14.3 billion to \$15 billion). Unfortunately, the President's fiscal year 1993 budget submission omitted the out-year funding profiles that would reflect the future implications of the request or any view of proposed progress in further limiting out-year funding requirements.

Preliminary NASA planning estimates show continued growth in agency programs, with a fiscal year 1993-97 funding estimate of \$92.4 billion. These planning estimates will serve as the baseline from which NASA will formulate the fiscal year 1994 and subsequent year budgets. However, the \$92.4 billion estimate exceeds level budget estimates by about \$21 billion and the CBO baseline by about \$13 billion. We believe this figure indicates overly optimistic planning, given the present outlook for NASA funding. We also believe that it tends to obscure civil space priorities and delay tough decisions and trade-offs. The failure to bring the civil aeronautics and space program within fiscal realities may perpetuate the instability of NASA's programs, invite cost growth, and risk the erosion of public confidence. Further, the omission of out-year funding profiles in the President's budget makes it difficult for Congress to understand the future implications of its current budget decisions. The enclosure compares NASA's funding projections for fiscal years 1993 through 1997 with flat budgets and the CBO baseline.

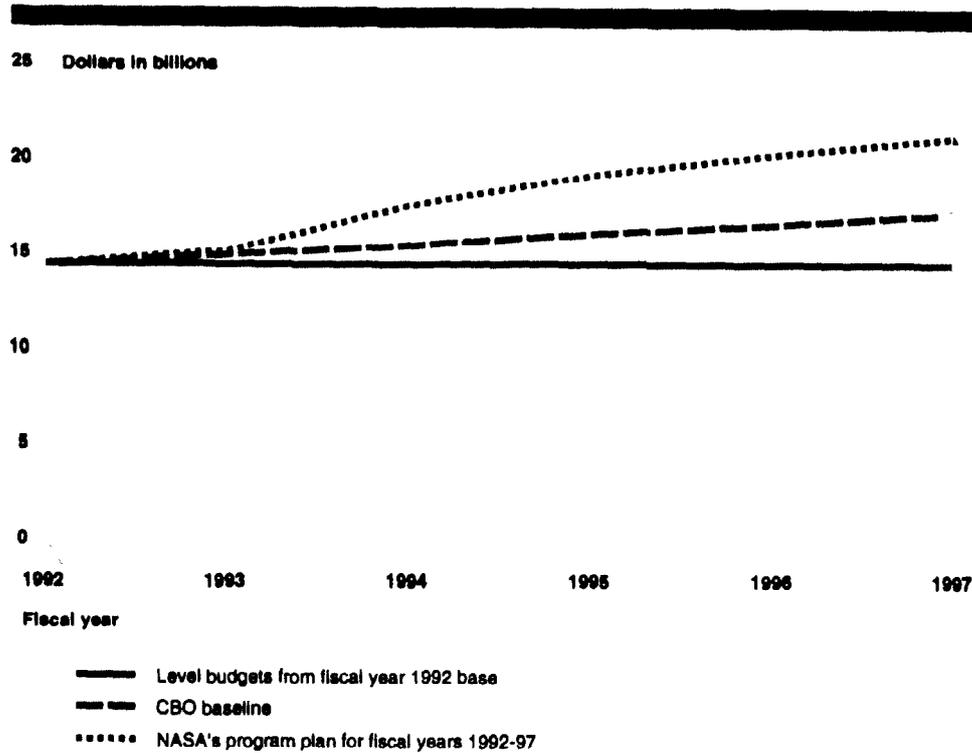
We are continuing our review of NASA's 5-year program plan, as you requested, and will keep you advised on the progress of this work.



Mark E. Gebicke  
Director, NASA Issues

Enclosure

NASA IS PURSUING MORE PROGRAMS THAN CAN  
BE FUNDED WITH POTENTIAL FUTURE BUDGET AUTHORITY



Note: Between 1993 and 1997, NASA's civil space program calls for \$13 billion to \$21 billion more than is likely to be appropriated under current federal budget constraints.

(397052)